GOVERNMENT OF INDIA
FINANCE
LOK SABHA

UNSTARRED QUESTION NO:1445
ANSWERED ON:11.03.2005
JUMP IN INVESTMENT PROPOSALS
Singh Shri Chandra Bhushan

Will the Minister of FINANCE be pleased to state:

(a) whether there was a jump of 26.9 per cent jump till October, 2004 in investment proposals;

(b) if so, the details thereof;

(c) whether the Government is aiming at an investment led growth for the country in the coming years; and

(d) if so, the steps being taken in this regard?

Answer

MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S. PALANIMANICKAM)

(a) & (b) According to the Ministry of Commerce and Industry, the industrial investment proposals comprising Industrial Entrepreneurs` Memorandum, Letters of Intent and Direct Industrial Licences during 2004 (January to October) amounted to Rs.2,22,071 crore compared to Rs.66,005 crore during same period in 2003. This suggests a perceptible improvement in the overall investment climate.

(c) & (d) The Government has initiated various measures for increased investment in agriculture, operationalisation of Fiscal Responsibility and Budget Management Act, enhanced public investment, promotion of public-private partnership for infrastructure development and liberalisation of Foreign Direct Investment (FDI) policy. Budget 2005-06 has proposed enhanced investment for agriculture infrastructure, providing and facilitating investment in public goods such as roads, railways, power, seaports and airports and providing a supportive policy environment along with stable tax policies for investment in services sectors. These measures are expected to result in increased investment to achieve higher growth.